



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Higher Education
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by
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SB 1331 SD2 - RELATING TO THE UNIVERSITY OF HAWAII

Chair Nishimoto, Vice Chair Nakashima, and Members of the Committee:

The University of Hawai'i supports SB 1331 SD2 which amends section 304A-2007, HRS, to require additional reporting by the University of Hawai'i on special and revolving funds.

As provided in our previous testimony to the Senate Committee on Ways and Means, the University requests that the amended language in subsection (b) (2) read as follows:

- “(2) For each fund, listed by program identification number, that has an unencumbered cash balance of \$1,000,000 or more or a cash deficit of \$1,000,000 or more at the end of the previous fiscal year, where that balance or deficit is greater than twenty-five percent of the previous fiscal year's expenditures, the estimated:
- (A) Expenses for the current fiscal year;
 - (B) Revenues for the current fiscal year; and
 - (C) Unencumbered cash balance at the end of the current fiscal year.”

The current draft bill also makes an appropriation to the University of Hawai'i to complete the implementation and support for the Kualii Financial System(KFS), the financial management and accounting system replacement to the University's 20 year old legacy system. The KFS system is a modular, open source financial accounting system, developed by the higher education community incorporating the unique requirements and best industry practices across U.S. colleges and universities. The implementation of KFS will result in improved efficiencies, greater accountability, and improved financial and decision-support reporting for stakeholders at all levels.

Thank you very much for the opportunity to testify on this measure.